

GRAND RAPIDS CHAMBER

TO: Members of the House Michigan Competitiveness Committee
FROM: Andy Johnston, Vice President of Government Affairs
DATE: January 31, 2018
RE: Support House Bill 5456

On behalf of the Grand Rapids Chamber and our more than 2,300 members, I ask for your support of House Bill 5456.

The Grand Rapids Chamber is committed to making our civil justice system simpler, faster and fairer for all participants. House Bill 5456, the "Asbestos Bankruptcy Trust Claims Transparency Act," would shine needed light on the asbestos personal injury settlement trust funds and ensure that these finite resources are reserved for the true victims, not fraudulent claims.

At the Federal level, trusts have been established to receive and pay asbestos related claims. These trusts were intended to guarantee all present and future claimants access to funds for asbestos-related injuries. Unfortunately, filings of inconsistent and fraudulent claims are drawing down the trusts' resources.

The transparency requirements in House Bill 5456 would help protect Michigan citizens, businesses and asbestos trusts from fraud. It will ensure that still-solvent tort defendants, many of whom were only peripherally involved in the manufacture or distribution of asbestos or asbestos-containing products, are not driven into bankruptcy by claims that should be addressed by asbestos trusts.

Other states have enacted similar asbestos trust transparency laws and these reforms appear to have accomplished the goal of ensuring transparency and fairness without causing delays in case resolution. Michigan should follow suit.

The Grand Rapids Chamber supports House Bill 5456. We look forward to working with you and your colleagues to see this legislation advance.